

State Treasurer

(LFB Budget Summary Document: Page 558)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
2	Unclaimed Property Program Printing and Advertising Costs (Paper #770)
4,6	Minor Policy and Technical Changes (Paper #771)
5	Staffing Modifications (Paper #772)
10	Division of Trust Lands and Investments -- Treatment of Unencumbered Year-End Operating Balances (see Paper #185)
12	Division of Trust Lands and Investments -- Apportionment of Revenues from the Sale of Sunken Logs (see Paper #186)

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Unclaimed Property Program Printing and Advertising Costs (State Treasurer)

[LFB Summary: Page 558, #2]

CURRENT LAW

No later than September 20 of each odd-numbered year, the Office of the State Treasurer is required to compile a listing of unclaimed property assets reported to it and publish the last-known address of each asset owner in a general circulation newspaper in each county. Base level supplies and services funding of \$816,000 PR annually has been provided to the unclaimed property program, of which \$500,000 PR is budgeted specifically for the costs of publishing and distributing the biennial unclaimed property legal notices.

GOVERNOR

Delete \$500,000 PR in 1997-98 and \$150,000 PR in 1998-99 of base level supplies and services funding associated with the publication and distribution of the biennial unclaimed property legal notices.

DISCUSSION POINTS

1. All base level funding in 1997-98 for the costs of printing and distributing unclaimed property legal notices has been recommended for deletion to reflect the fact that under current law the Office is required to incur these costs only in the second fiscal year of each biennium. The reduction of \$150,000 PR in base level funding in 1998-99 has been proposed to recognize the impact of recently revised bidding procedures and other efficiencies initiated by

the Office for the printing and advertising of the biennial unclaimed property notices. A total of \$350,000 PR in 1998-99 would be available to the Office to fund publication and distribution costs associated with the September, 1998, unclaimed property notices.

2. The Office has typically published legal notices in newspapers in each county outside the Milwaukee metropolitan area listing the names of residents of the county appearing to have unclaimed assets. Prior to 1996, for Milwaukee County and the three adjacent counties of the metropolitan area (Ozaukee, Washington and Waukesha), a supplement was inserted in the state's official newspaper (at the time, the Milwaukee Sentinel) containing a comprehensive listing of the unclaimed property assets in all counties of the state. The total publication costs for all listings of unclaimed property in September, 1994, amounted to \$462,500 PR.

3. In an effort to reduce the unclaimed property program's administrative expense costs for publishing the unclaimed property notices in September, 1996, the Office:

- Sought sealed bids, where feasible, for the publication of the required notices in each county;

- Decided to not publish a single, consolidated statewide listing of unclaimed property in the state's official newspaper (now the Wisconsin State Journal); and

- Prepared a stand-alone supplemental insert listing unclaimed property for newspaper publication only in the four-county Milwaukee metropolitan area.

4. As a result of these changes instituted for the September, 1996, publication and distribution of the unclaimed property legal notices, the following costs were actually incurred by the Office:

**Total Unclaimed Property Printing and Advertising Costs in 1996-97
(PR Funds)**

<u>Type of Expense</u>	<u>Cost</u>
Printing of Milwaukee Supplement	\$58,100
Distribution of Supplement	28,400
Other Classified Advertising	49,400
Copy Preparation Expenses	7,700
Miscellaneous Administrative Costs	<u>10,000</u>
Total	\$153,600

5. Based on the \$153,600 PR costs actually incurred by the Office to publish and distribute the September, 1996, unclaimed property notices, a funding level of less than the

\$350,000 PR provided by the budget in 1998-99 for these activities would appear to be warranted. The Committee could consider providing total funding of \$200,000 PR in 1998-99 for the publication of unclaimed property notices in September, 1998. This level of funding is based on the 1996-97 actual expenditures incurred by the Office, increased by approximately 15% annually to accommodate any intervening inflationary increases and other unforeseen contingencies. This modification would provide a reduction of \$150,000 PR in 1998-99 to the authorized expenditure level recommended in the budget.

ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to delete from the base \$500,000 PR in 1997-98 and \$150,000 PR in 1998-99 of supplies and services funding for the unclaimed property program.

<u>Alternative 1</u>	<u>PR</u>
1997-99 FUNDING (Change to Base)	- \$650,000
[Change to Bill]	\$0]

2. Delete from the base \$500,000 PR in 1997-98 and \$300,000 PR in 1998-99 of supplies and services funding for the unclaimed property program.

<u>Alternative 2</u>	<u>PR</u>
1997-99 FUNDING (Change to Base)	- \$800,000
[Change to Bill]	- \$150,000]

MO#

PAP. 770
Alt 2

Prepared by: Tony Mason

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

MO#

paper # 771
Mid
A and B

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

ISSUE**Minor Policy and Technical Changes (State Treasurer)****A. NATIONAL ASSOCIATION OF STATE TREASURERS -- N**

[LFB Summary: Page 559, #4]

AYE 16 NO 0 ABS 0

Governor

Provide \$5,000 PR in 1997-98 and \$10,000 PR in 1998-99 to fund programmatic and planning support for the 1998 Midwest Conference of the National Association of State Treasurers to be held in Madison during the summer of 1998. The increased expenditure authority would be provided under the agency's appropriation used to fund financial services associated with the Office's custody of state funds.

Estimate GPR-Earned from conference fees of \$7,000 in 1997-98 and \$3,000 in 1998-99.

Modification to Base

Establish a separate gifts and grants appropriation under the Office of the State Treasurer from which such activities as the 1998 Midwest Conference of the National Association of State Treasurers could be funded. Provide expenditure authority of \$5,000 PR in 1997-98 and \$10,000 PR in 1998-99 under the new appropriation rather than under the agency's appropriation for financial services costs.

Explanation: The Office of State Treasurer does not currently have an appropriation with a statutory authorization which would permit the expenditure of funds for conference

planning and support activities. This modification would provide such an appropriation. Expenditure authority (\$5,000 PR in 1997-98 and \$10,000 PR in 1998-99) would be provided in the new appropriation.

Since the agency intends to use the registration fee revenues to offset expenses incurred by the conference, there will be no GPR-Earned receipts.

<u>Modification</u>	<u>GPR</u>
1997-99 REVENUE (Change to Base)	\$0
[Change to Bill]	- \$10,000]

B. REALLOCATIONS OF POSITION FUNDING AND AUTHORIZATIONS BETWEEN APPROPRIATIONS

[LFB Summary: Page 559, #6]

Governor

Modify the base level PR-funded salary and fringe benefits amounts and the associated FTE position authority allocations for the State Treasurer and the Deputy State Treasurer [portions of which are allocated among the agency's cash management, unclaimed property, local government investment pool and general program operations appropriations] to more accurately reflect the allocation of the costs of these positions to the respective programs of the agency. There is no net fiscal change to the base associated with these realignments.

Modification to Base

Revise the base level PR-funded salary and fringe benefits amounts and associated FTE position authority allocations for the State Treasurer and the Deputy State Treasurer as recommended by the Governor. There is no net fiscal change to the base associated with these revised realignments.

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A

JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE _____ NO _____ ABS _____

<u>Appropriation</u>	<u>Governor's Change to Base</u>			<u>Modification--Change to Base</u>		
	<u>FTE</u>	<u>Salary</u>	<u>Fringe Benefits</u>	<u>FTE</u>	<u>Salary</u>	<u>Fringe Benefits</u>
20.585(1)(g)	-0.11	-\$300	-\$200	0.00	\$0	\$0
20.585(1)(j)	0.76	1,500	500	0.10	4,800	1,800
20.585(1)(jt)	-0.25	-700	-200	-0.14	-6,700	-2,500
20.585(1)(kb)	0.40	-500	-100	0.04	1,900	700

Explanation: The salary and fringe benefits costs and associated position authority for an existing unclassified confidential stenographer position for the State Treasurer are currently apportioned between the above four appropriations. Under the bill, this stenographic position was simultaneously deleted (based on its current apportionment among the four appropriations) and was also reallocated entirely to the agency's unclaimed property appropriation. These actions resulted in a misalignment of the remaining salary and fringe benefits costs and associated position authority for the State Treasurer and Deputy State Treasurer. This base modification adjusts the salary, fringe benefits and FTE allocations to reflect the apportionment of administrative responsibilities for just these two positions in 1997-99.

C. GPR-EARNED REESTIMATES

Governor

Increase base level GPR-Earned collection by \$54,500 in 1997-98 and \$109,500 in 1998-99. Estimate total agency collections at \$2,593,500 in 1997-98 and \$2,644,500 in 1998-99. Of these amounts, GPR-Earned collections are estimated at: (1) \$1,375,000 in 1997-98 and \$1,400,000 in 1998-99 from probate fees; (2) \$1,030,000 in 1997-98 and \$1,060,000 in 1998-99 from marriage licenses; and (3) \$181,500 annually from service charges, gifts and donations, penalty and interest charges and bad check fees.

Modification to Base

Decrease base level GPR-Earned collections by \$129,500 in 1997-98 and \$74,500 in 1998-99. These changes would reflect estimated increased GPR-Earned collections from probate fees of \$92,000 annually (to \$1,467,000 in 1997-98 and \$1,492,000 in 1998-99) and estimated decreased GPR-Earned collections from marriage licenses of \$276,000 annually (to \$754,000 in 1997-98 and \$784,000 in 1998-99).

Explanation: Probate fees are reported to the Office of the State Treasurer on a quarterly basis. Collection experience through March 31, 1997, would now indicate that

current year total revenues from this source will be approximately \$1,442,000, or about \$92,000 more than previously projected. This base modification reflects estimated probate fee collections in the next biennium consistent with this more recent collections experience.

Annually, on March 31, the Office receives the final marriage license fee deposits from counties for the fiscal year. Total collections for 1996-97 are \$724,000, or \$276,000 below original projections. This decrease is attributable to the fact that in 1995-96 the Office received unusually high marriage license revenues because of a Milwaukee County remittance that represented three years of such fees which had been retained by the county. As a result, there was a degree of uncertainty concerning the likely actual level of 1996-97 revenues. Since the 1997-98 and 1998-99 marriage license revenue projections in the budget bill were originally based on the higher 1996-97 projections (which have not been realized), this base modification adjusts marriage license fee collections in the next biennium consistent with this more recent collections experience.

<u>Modification</u>	<u>GPR</u>
1997-99 REVENUE (Change to Base)	- \$204,000
[Change to Bill	- \$368,000]

MO# _____

Prepared by: Tony Mason

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE _____ NO _____ ABS _____

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Staffing Modifications (State Treasurer)

[LFB Summary: Page 559, #5]

CURRENT LAW

The custody of state funds function in the Office of the State Treasurer has base level staffing of 14.5 PR positions. Of these positions, all are classified except for the State Treasurer and two direct appointees: the Deputy State Treasurer and a confidential stenographer. There are currently 2.0 PR accountant positions among the remaining 11.5 PR classified staff assigned to the Office's custody of state funds function.

GOVERNOR

Adjust the Office's budget by -\$3,700 PR in 1997-98 and \$9,100 PR in 1998-99 to reflect the following staffing modifications:

- Delete \$38,900 PR annually and 1.0 PR unclassified confidential stenographer position assigned to the State Treasurer; and
- Provide \$35,200 PR in 1997-98 and \$48,000 PR in 1998-99 and authorize 1.0 unclassified senior accountant position to serve as the chief financial officer for the agency.

DISCUSSION POINTS

1. Under current law, each executive branch elective officer (Governor, Lt. Governor, Attorney General, State Superintendent of Public Instruction, Secretary of State and State Treasurer) may appoint a confidential stenographer, subject to position authorization by the Legislature. As part of his 1995-97 biennial budget, the Governor recommended deletion of this confidential stenographer position and the associated statutory language relating to the position. The Governor's stated rationale for deleting the position was that the Office was being recommended for transfer to the Department of Administration (DOA), which could provide many of the administrative and clerical duties performed by the position.
2. In signing the 1995-97 budget, the Governor item vetoed the deletion of the confidential stenographer position. The Governor indicated that this action was taken because the budget retained the Office as an independent agency and, further, the Board of Commissioners of Public Lands was being attached to the Office. It was indicated that these changes would result in increased administrative duties for the Office which could be met by retention of the confidential stenographer position. Although position authority was retained for the unclassified stenographer position, no funding was provided. As a part of standard budget adjustments for the 1997-99 biennial budget, the agency requested full funding for the stenographer position.
3. Under the Governor's recommended 1997-99 budget, the Board of Commissioners of Public Lands would be returned to the DOA. Presumably as a result of decreased overall administrative responsibilities, the funding and associated position authority for the State Treasurer's confidential stenographer has been deleted. However, unlike the Governor's original recommendation to delete this position under the 1995-97 biennial budget, the current position deletion does not also remove the associated statutory language enumerating the position under the unclassified service and authorizing the State Treasurer to set the salary of the position. Thus, if the Committee chooses to adopt the Governor's current recommendation to delete the confidential stenographer position, it should include the statutory changes to reflect the elimination of the position.
4. In its budget request, the Office requested a classified senior accountant position to serve as the chief financial officer for the agency. The agency's request indicated that the person in this position should be a certified public accountant with at least five years of previous experience. Further, the position would be assigned half-time to various cash management functions in the Office and half-time to the unclaimed property program. It is understood that the unclassified position recommended by the Governor would still be expected to meet the above training and experience qualifications and would be assigned to the same functions as originally envisioned.
5. Under the proposed general cash management assignment for the position (equivalent to 0.5 FTE), the preliminary position description indicates that the accountant would:

(a) review monthly bank service charge allocations among the accounts managed by the Office; (b) prepare monthly Treasury statistical reports; (c) process and reconcile semi-annual county tax settlements; (d) assist in the reconciliation of the Treasury's daily cash position to that reported by the state's working bank; (e) prepare specialized monthly and annual reports and statements; and (f) provide necessary back-up in the absence of cash management and local government investment pool staff.

6. Many of these bank service charge allocation, cash management and staff back-up responsibilities identified for the proposed new senior accountant position are the same as those used to justify the need for a similar accountant position in the 1995-97 biennial budget. That request was for the continuation on a permanent basis of an accountant project position which had originally been provided to the Office. At the time the Committee was reviewing the proposal, it was determined that the accountant project position had actually remained vacant throughout early 1995 and many of the cash management duties and staff back-up duties had been assumed by other agency staff by and the Deputy Treasurer, who was the previous incumbent in the project position. The Committee determined that these circumstances suggested that there was insufficient workload justification for converting the project position to permanent status, and the position was allowed to expire on June 30, 1995.

7. Since that time, the Deputy State Treasurer, two existing accountant positions and other financial support staff have performed the bank service charge allocation and cash management responsibilities in the Office.

8. Under the proposed unclaimed property assignment for the position (equivalent to 0.5 FTE), the preliminary position description indicates that the accountant would initiate a new program of compliance audits of holders of unclaimed property (such as banks, brokerage houses, utility companies and similar institutions) to ensure that they are identifying and making timely turnovers of assets to the state. Currently, staff does not perform these types of reviews. There is no reliable data regarding the amount of actual under-reporting of unclaimed property by asset holders. However, the Office believes that the identification of any such property would ultimately accrue to the benefit of property owners and the state. The Office indicates that on average, 40% of the value of unclaimed property transferred to its control ultimately is restored to the rightful owners while 60% of the value of unclaimed property for which no owner is ever found is deposited to the Common School Fund. It could be argued that additional staff for this might be helpful to the Office but not required due to any workload consideration.

9. If the Committee acts to approve the accountant position, a question may be raised whether the position should be unclassified, as recommended by the Governor. The apparent rationale for providing an unclassified accountant position is to continue to allow the State Treasurer to make a total of two unclassified appointments. However, it may be noted that in the 1995-97 biennial budget when the unclassified confidential stenographer was also slated for deletion, the State Treasurer was granted no authority to appoint an additional position in the unclassified service. Further, a question may be raised whether an accountant with the level of

training and background which the Office seeks would want to be appointed to an unclassified position, since an individual with long-term career interests in the position would always be subject to removal. In fact, the Office's original request for the position was as a classified position to provide continuity within the organization. Finally, any State Treasurer could fill the position with an individual of his or her choosing and would not be required to continue the accountant function.

10. In its budget request, the Office had also requested funding and position authorization for an additional 0.50 PR financial specialist position to increase an existing half-time position to full-time in order to provide general back-up support for all of the general activities of the Office related to cash management. This request was similar in nature to that portion of the accountant position request that was premised on the accountant providing back-up for various critical cash management activities of the Office. The request for the financial specialist position was denied by the Governor.

11. However, the Office's need for additional back-up staffing in this area appears justified. For example, when the separate securities section of 2.0 FTE positions was eliminated in the last biennial budget due to that function no longer being needed, one of the operating consequences of that change was that those two positions were no longer available to be "borrowed" for general back-up duties. At that time the agency had asked for additional back-up staff support, but such staffing was not authorized because it was initially anticipated that the Office was going to be transferred to DOA.

12. With only 6.50 FTE classified staff working in the various areas of the agency's cash management function, the Office argues that all daily posting, balance determinations and reconciliation activities are required to be completed each day and cannot be deferred to a following day if there is a staff absence.

13. In lieu of providing funding and authorization for the requested accountant position, the Committee could provide funding (\$14,200 PR in 1997-98 and \$19,200 PR in 1998-99) and position authorization for the 0.5 PR financial specialist originally requested by the Office to meet what appears to be a justified need.

ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to adjust the base budget by: (a) deleting \$38,900 PR annually and 1.0 PR unclassified confidential stenographer position assigned to the State Treasurer; and (b) adding \$35,200 PR in 1997-98 and \$48,000 PR in 1998-99 and 1.0 unclassified senior accountant position to serve as the chief financial officer for the agency.

OFFICE OF THE STATE TREASURER

Classified Accountant Position Increase

Motion:

Move to adjust the Office's base budget by providing \$35,200 PR in 1997-98 and \$48,000 PR in 1998-99 and authorize 1.0 classified accountant position to serve as chief financial officer for the agency.

Note:

Under the bill, \$38,900 PR annually and 1.0 unclassified confidential stenographer position for the State Treasurer would be deleted. Additionally, \$35,200 PR in 1997-98 and \$48,000 GPR in 1998-99 would be provided and 1.0 PR unclassified position would be authorized to serve as chief financial officer for the agency.

Under this motion, the unclassified confidential stenographer position and associated funding would be retained and a classified accountant position and associated funding would be provided. This motion represents alternatives 1 and 3 of Paper #772 with a modification of alternative 1 to not delete funding and authorization of the unclassified stenographer position.

[Change to Base: \$83,200 PR and 1.0 PR position]

[Change to Bill: \$77,800 PR and 1.0 PR position]

MO# 1505

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
1 JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

<u>Alternative 1</u>	<u>PR</u>
1997-99 FUNDING (Change to Base)	\$5,400
[Change to Bill]	\$0]

2. In addition to Alternative 1, delete the current statutory enumeration of the stenographer position under the unclassified service and the statutory authority of the State Treasurer to set the salary of such a position.

3. In addition to Alternative 1 or 2, authorize the accountant position in the classified rather than the unclassified service.

4. Adjust the Office's base budget by: (a) deleting \$38,900 PR annually and 1.0 PR unclassified confidential stenographer position assigned to the State Treasurer; (b) deleting the current statutory enumeration of the position under the unclassified service and the statutory authority of the State Treasurer to set the salary of the position; and (c) adding \$14,200 PR in 1997-98 and \$19,200 PR in 1998-99 and 0.5 classified financial specialist position.

<u>Alternative 4</u>	<u>PR</u>
1997-99 FUNDING (Change to Base)	- \$44,400
[Change to Bill]	- \$49,800]
1998-99 POSITIONS (Change to Base)	- 0.50
[Change to Bill]	- 0.50]

5. Maintain current law.

<u>Alternative 5</u>	<u>PR</u>
1997-99 FUNDING (Change to Base)	\$0
[Change to Bill]	- \$5,400]

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A

JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

Prepared by: Tony Mason

AYE _____ NO _____ ABS _____

STATE TREASURER

LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1	Standard Budget Adjustments
3	Information Technology Infrastructure Support

Items 1 and 3

MO# UC approved

2 BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
1 JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 16 NO _____ ABS _____

AYE _____ NO _____ ABS _____

Supreme Court

(LFB Budget Summary Document: Page 564)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
3	Circuit Court Automation Project (Paper #780)
4	Information Technology (Paper #781)
5	Law Library Book Inflation (Paper #782)
7	Fees for the Sale of Court Documents (Paper #783)
-	Personnel Specialist (Paper #784)
-	District Court Administrative Staff -- Milwaukee County (Paper #785)
-	Clerk of Court Staff (see Paper #340)

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Circuit Court Automation Project (Supreme Court)

[LFB Summary: Page 565, #3]

CURRENT LAW

The circuit court automation project (CCAP) receives revenues from fees of \$5 to \$15 on forfeiture judgments and various civil court filings. The fees are deposited to a sum certain, annual appropriation and support 16.0 permanent positions and 23.0 project positions (which expire June 30, 1997) that provide computer equipment installation, programming, training and technical support for circuit courts. Base funding is \$4,845,500 PR, which includes \$1,037,400 for the expiring project positions.

In addition, a \$5 justice information fee is assessed on forfeitures and certain civil court filings. One dollar of this fee is deposited to the general fund and the remaining revenue is deposited to the Department of Administration's Bureau of Justice Information Systems (BJIS).

GOVERNOR

Provide \$1,787,400 in 1997-98 and \$2,037,400 in 1998-99 and 23.0 positions annually. Funding would be provided for the following: (a) \$1,037,400 annually to convert the 23.0 project positions to permanent; and (b) \$750,000 in 1997-98 and \$1.0 million in 1998-99 to provide funding for upgrading and replacing computer equipment for the CCAP system. Funding for equipment upgrades and replacements would come from a \$2 increase in the \$5 justice information fee on forfeiture judgments and most civil court filings, effective October 1, 1997. The bill would provide that two-sevenths of the justice information fee be deposited to CCAP, effective on the date of enactment of the bill.

DISCUSSION POINTS

Positions

1. CCAP was created in the 1987-89 biennium as a project to automate circuit court functions. Counties that opt not to participate can receive reimbursement for their county-maintained systems, with the requirement that the county equipment be compatible with CCAP.
2. Currently, 70 counties have CCAP networks installed, with approximately 2,300 users. The two remaining counties (Walworth and Winnebago) have chosen to be reimbursed for their own systems.
3. CCAP has 39.0 FTE, of which 23.0 are project positions that expire June 30, 1997. (The project positions and funding were deleted under the standard budget adjustment item removing nonrecurring costs.) CCAP positions include the following: (1) 19.0 project and 7.5 permanent technical support positions which are responsible for telephone support calls, software and hardware implementation, user training, and hardware repair and replacement; (2) 3.0 project and 2.0 permanent programming positions which are responsible for developing, testing and maintaining software applications; and (3) 1.0 project and 6.5 permanent general management positions which provide administration, planning, policy development, staff supervision, purchasing and secretarial tasks.
4. The project positions were provided to address a period when counties were in various phases of the project and staff were needed to support implementation, training and ongoing support. Now that installation has progressed so that 70 counties have at least some equipment, software and training, it could be argued that the same justification does not exist for the project positions.
5. However, the Courts argue that CCAP is an ongoing program which needs permanent staff. DOA's recommended users to support staff ratio is 30 to 1. Currently, the CCAP ratio of users to support staff is 87 to 1 (2,300 CCAP users and 26.5 support staff). Over the next two years, the number of CCAP users is expected to increase to 2,400, which would mean a user to support staff ratio of 90 to 1. It should be noted that the Courts did not request an increase in CCAP staffing levels, only that the current level be made permanent.
6. When CCAP was created almost 10 years ago, the automation of the courts was seen as a project that could be completed in a few years. However, over the years, it has become apparent that technology is an ongoing process with recurring costs for equipment, upgrades, new technology and training.
7. In addition, while 70 counties have at least one component of CCAP (case management, financial management and jury management), not all counties have all three components. Some of these counties are still in the process of converting different portions of

their caseloads to CCAP. Therefore, the installation of and training on new software applications continues. In addition, CCAP staff are currently working on improving the jury management software, the first component of CCAP to be developed. When this is completed, additional installation and training will be required.

8. There is no differentiation in responsibilities between the project and permanent CCAP positions. In addition to installation and training, project and permanent staff are responsible for ongoing support for CCAP, which includes responding to approximately 3,100 support and service calls, developing new software applications as technology improves, updating software applications for new laws and Supreme Court rules and responding to 70 counties with differing needs and concerns.

9. CCAP officials also indicate that they are receiving an increasing number of requests from state and local agencies for automated court information and data exchange. While automating the circuit courts continues to be their main priority, the Courts have interest in investigating the possibilities of interfaces with agencies that maintain and use similar information. Some examples of interface projects with other state agencies include the following: (a) tax warrant information with the Department of Revenue; (b) criminal history information with the Department of Justice; (c) family court information with the Department of Workforce Development; and (d) license revocation and suspension data with the Department of Transportation.

10. Automated exchange of information can increase the accuracy of information and government efficiency by reducing redundant data entry. Therefore, it would seem reasonable that CCAP continue to investigate possibilities and initiate such interfaces where plausible. Given the high level of confidentiality in court records, interfaces with CCAP would require staff time to ensure that only appropriate information is available to non-court agencies and that information cannot be tampered with.

11. CCAP officials indicate that if the 23.0 positions are not provided, the remaining 16.0 permanent positions would have difficulty maintaining the current level of automation. Expansion projects, such as the continued installation of the financial management applications, implementation of Milwaukee County's various court divisions, system conversion for five counties that decided to use CCAP later in the planning process (Brown, Fond du Lac, Ozaukee, Washington and Wood) and upgrading and installing new jury management software would be delayed or put on hold. Further, possibilities of forming interfaces with other agencies would be limited without the staff necessary to address the various concerns. In addition, CCAP is currently under contract with the Bureau of Justice Information Systems in DOA to automate district attorney's offices (and, under the bill, could also participate in the automation of the Office of the State Public Defender). This is favorable because DA automation (and, under the bill, automation of the Public Defenders) will be compatible with CCAP for information exchange. However, such a contract may not be feasible if CCAP loses the 23.0 positions.

Therefore, the current automation of the district attorney's offices could be disrupted, and future automation of District Attorney and Public Defender offices would likely be delayed.

12. Revenues from the \$5 to \$15 automation fees are estimated at \$4,850,000 annually, which is \$149,100 less than the annual appropriations, under the budget bill, including making the project positions permanent. Excluding the increased funding and corresponding fee increase for equipment replacement (discussed in the following section), CCAP would end 1998-99 with an estimated balance of \$22,900.

Equipment Replacement and Fee Increase

13. The bill would also provide an increase in the justice information fee of \$2, effective October 1, 1997. Under the bill, two-sevenths of the justice information fee would be deposited directly to CCAP for equipment replacement. It should be noted that, under the bill, the provision which would transfer two-sevenths of the justice information fee to CCAP would be effective on the date of enactment; however, the fee increase is not in effect until October 1, 1997. Therefore, a technical correction is needed to delay the effect of the transfer of justice information fee revenue to CCAP until October 1, 1997.

14. CCAP has an investment of approximately \$16 million in hardware and software infrastructure, some of which is six years or older. CCAP officials indicate that a regular schedule for equipment replacement is crucial for continued successful operation.

15. CCAP has base funding for equipment replacement of \$1,160,000 PR annually. In their request, the Courts proposed a new GPR appropriation of \$1,975,000 annually for equipment replacement to supplement the base funding. The Courts indicated that this amount of funding would have allowed for the DOA-recommended, four-year equipment replacement cycle.

16. Under the bill, an additional \$750,000 PR in 1997-98 and \$1,000,000 PR in 1998-99 would be provided for CCAP equipment replacement from revenues generated by the increase in the justice information fee. Total equipment replacement funding would be \$1,910,000 in 1997-98 and \$2,160,000 in 1998-99. Annual funding of approximately \$2.2 million would allow for replacement of equipment every six years.

17. Based on revenues to date, the \$2 fee increase would be expected to generate \$825,000 in 1998-99 and \$1.1 million in 1998-99 and thereafter. This is \$175,000 more than appropriated for equipment under the bill. The additional revenue would remain in the program revenue account, and would offset the declining balance in the CCAP account. CCAP would, therefore, end 1998-99 with a balance of \$197,900.

18. It should be noted that prior to the 1995-97 biennial budget act, what is now the justice information fee was called the court automation fee and was \$3. Two dollars of the fee were deposited to CCAP for circuit court automation (the remaining \$1 was deposited to GPR-Earned). At that time, the \$2 that was deposited to CCAP generated revenues of approximately \$1.3 million annually. Under the act, the fee was increased to \$5 and \$4 was deposited to the Bureau of Justice Information Systems which was created under the act to automate justice-related agencies (\$1 continues to be deposited to the general fund). Revenue to CCAP was reduced by \$1.3 million annually.

19. Past increases of court fees have raised the policy question as to what level of user fees is appropriate, and what level of court funding should be borne by all state taxpayers. One concern of increasing court fees on civil court filings is that it prices some people out of a means of settling legal matters. A concern of increasing fees for forfeitures is that the penalty may become excessive in comparison with the offense. While it is unlikely that a \$2 increase in fees would have much of an effect on court system users, the level of court fees is an overall concern.

20. Further, in the past when fees have been increased, revenues have not increased proportionately. For example, in the 1995-97 biennium, the \$2 fee generated approximately \$1.3 million annually. However, based on current revenues, the proposed \$2 increase in the fee would generate \$1.1 million annually. Because court case data over the last few years has not been available, it is difficult to tell how much of the decrease in revenue is due to changes in court caseload and how much is due to an increasing number of persons unable or unwilling to pay the fees.

21. Court officials indicate that instead of increasing fees, the Legislature should consider using a portion of revenue from the current circuit court support fees. Circuit court support fees generate approximately \$25.0 million annually, which is deposited to the general fund. The fees were created to offset counties' costs of operating the circuit courts and fund the following: (a) circuit court support grants (\$16,489,600 annually); (b) reimbursement of guardian ad litem fees (\$4,738,500 annually); and (c) costs of court transcripts requested by the Public Defender (\$1,399,600). Annual expenditures from the fee revenue total \$22,267,700, or \$2,732,300 less than the projected revenue from the fee. Since the revenue from the fees is deposited to the general fund, revenue in excess of the expenditures is used toward other state GPR expenditures, including the court system.

22. Court officials argue that it would be more appropriate to use a portion of the excess revenue from current court fees to support CCAP expenditures, than to further increase court fees. If the Committee wishes to provide GPR funding for CCAP equipment replacement, a GPR appropriation could be created to replace the program revenue under the bill, at a cost of \$1,750,000 GPR over the biennium.

ALTERNATIVES TO BILL

A. Positions

1. Approve the Governor's recommendation to provide \$1,037,400 PR annually to convert to permanent 23.0 project positions, which expire on June 30, 1997.

2. Maintain current law. The 23.0 project positions would expire on June 30, 1997.

<u>Alternative A2</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	- \$2,074,800
1998-99 POSITIONS (Change to Bill)	- 23.00

B. Equipment Replacement

1. Approve the Governor's recommendation to increase the justice information fee from \$5 to \$7, and deposit two-sevenths of the justice information fee to CCAP for equipment replacement. Make a technical correction to the bill to delay the effective date of the two-sevenths transfer to October 1, 1997, so that it is consistent with the fee increase.

2. Eliminate the \$2 increase in the justice information fee and the provision transferring two-sevenths of the justice information fee to CCAP. Provide \$750,000 GPR in 1997-98 and \$1,000,000 GPR in 1998-99, and delete \$750,000 PR in 1997-98 and \$1,000,000 PR in 1998-99.

<u>Alternative B2</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$1,750,000	- \$1,750,000	\$0

3. Maintain current law.

<u>Alternative B3</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	- \$1,750,000

Prepared by: Carri Jakel

paper 780
MO# Alt 2 B

BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
GEORGE	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
WINEKE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	N	A
COWLES	Y	<u>N</u>	A
PANZER	Y	<u>N</u>	A
JENSEN	Y	<u>N</u>	A
OURADA	Y	<u>N</u>	A
HARSDORF	Y	<u>N</u>	A
ALBERS	Y	<u>N</u>	A
GARD	Y	<u>N</u>	A
KAUFERT	Y	<u>N</u>	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	N	A

AYE 8 NO 8 ABS 0

paper 780
MO# Alt 1 B

<u>2</u> BURKE	<u>Y</u>	N	A
DECKER	Y	<u>N</u>	A
GEORGE	Y	<u>N</u>	A
JAUCH	Y	<u>N</u>	A
WINEKE	Y	<u>N</u>	A
SHIBILSKI	Y	<u>N</u>	A
COWLES	<u>Y</u>	N	A
PANZER	<u>Y</u>	N	A
JENSEN	<u>Y</u>	N	A
OURADA	<u>Y</u>	N	A
HARSDORF	<u>Y</u>	N	A
ALBERS	Y	<u>N</u>	A
GARD	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	N	A
LINTON	<u>Y</u>	<u>N</u>	A
COGGS	Y	<u>N</u>	A

AYE 8 NO 8 ABS 0

Rename to conf
MO# support tax

BURKE	Y	<u>N</u>	A
DECKER	Y	<u>N</u>	A
GEORGE	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
<u>2</u> WINEKE	<u>Y</u>	N	A
SHIBILSKI	Y	<u>N</u>	A
COWLES	Y	<u>N</u>	A
PANZER	Y	<u>N</u>	A
JENSEN	Y	<u>N</u>	A
OURADA	Y	<u>N</u>	A
HARSDORF	Y	<u>N</u>	A
ALBERS	Y	<u>N</u>	A
GARD	Y	<u>N</u>	A
KAUFERT	Y	<u>N</u>	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	N	A

AYE 5 NO 4 ABS 0

tech corrections
MO# to Alt 1 B

<u>2</u> BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
GEORGE	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
WINEKE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	N	A
COWLES	<u>Y</u>	N	A
PANZER	<u>Y</u>	N	A
JENSEN	<u>Y</u>	N	A
OURADA	<u>Y</u>	N	A
HARSDORF	<u>Y</u>	N	A
ALBERS	<u>Y</u>	N	A
GARD	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	N	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	N	A

AYE 10 NO 0 ABS 0

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Information Technology (Court of Appeals and Supreme Court)

[LFB Summary: Page 204, #3 and Page 565, #4]

CURRENT LAW

No provision.

GOVERNOR

Provide \$28,000 GPR in 1997-98 and \$10,400 GPR in 1998-99 for various Court of Appeals information technology initiatives. Funding would be provided for: (a) security (\$22,000 in 1997-98); (b) internet access (\$10,400 in 1998-99); (c) technology for electronic production and distribution of court-related manuals (\$3,700 in 1997-98); (d) electronic forms software to design, generate, transmit and use forms electronically (\$1,600 in 1997-98); and (e) a standard data definition project to develop a dictionary of terms used by the judicial branch for uniform data collection (\$700 in 1997-98).

In addition, provide \$18,000 GPR and \$13,600 PR in 1997-98 and \$40,800 PR in 1998-99 for various Supreme Court information technology initiatives. Funding would be provided for the following: (a) security of the Supreme Court's information system (\$18,000 GPR in 1997-98); (b) internet access (\$12,800 PR in 1998-99); (c) software for electronic production and distribution of court-related materials (\$4,800 PR in 1997-98); (d) an asset inventory system (\$28,000 PR in 1998-99); (e) electronic forms software (\$2,600 PR in 1997-98); (f) financial management software (\$5,000 PR in 1997-98); and (g) a standard data definition project (\$1,200 PR in 1997-98). Program revenue funding would come from central services charge backs to non-GPR court boards and functions.

DISCUSSION POINTS

1. The technology provided under the bill is part of the Courts' "Judicial Information Technology Strategic Plan" developed in response to the Department of Administration's information technology planning and review recommendations. The plan is a five-year, three-phase plan to: (a) provide common technologies throughout the court system; (b) integrate relevant data; (c) enable employees to access necessary information; (d) eliminate unnecessary duplication of data; (e) reduce paper processing; and (f) provide user-friendly public access to judicial branch information.

2. The first phase of the plan (1996-97) involved developing a security plan, implementing virus protections, developing data dissemination policies, standardizing servers and desktop workstations and installing an uninterruptable power supply for all servers. The information technology for the Supreme Court and Court of Appeals included under the bill is part of the second phase of the plan (1997-99) and is described below. It should be noted that the Circuit Court Automation Project (CCAP) already provides, or is currently addressing, similar technologies for the Circuit Courts.

a. *Security Implementation.* The bill would provide \$22,000 GPR under the Court of Appeals and \$18,000 GPR under the Supreme Court in 1997-98 to implement recommendations of the court-wide security study, including developing security access practices, standardizing security at all court locations and protecting court data and backups of that data. This is the Courts' highest technology priority without which they indicate they could not advance with other technology initiatives such as internet access and e-mail.

b. *Internet Access.* The bill would provide \$10,400 GPR under the Court of Appeals and \$12,800 PR under the Supreme Court in 1998-99 for internet access for court employees. This would provide court officials the capacity to electronically communicate and exchange information.

c. *Electronic Production and Distribution of Court-Related Materials.* The bill would provide \$3,700 GPR under the Court of Appeals and \$4,800 PR under the Supreme Court in 1997-98 to create on-line court manuals for court use and for distribution. The Courts maintain various court manuals, fee schedules, bulletins and administrative and policy manuals. The cost of this item is expected to be offset by reducing costs for paper, printing and postage.

d. *Asset Inventory System.* The bill would provide \$28,000 PR under the Supreme Court in 1998-99 to consolidate the three separate inventory systems maintained by the Circuit, Appeals and Supreme Courts. This would allow for more accountability of the Courts' fixed assets, eliminate the need for physical counts of inventory and improve information provided to state risk management.

e. *Electronics Forms Software.* The bill would provide \$1,600 GPR under the Court of Appeals and \$2,600 PR under the Supreme Court in 1997-98 for software to allow the Courts to design, generate, transmit and use forms electronically such as letterhead, purchase requisitions, expense vouchers, performance appraisal forms and court instructions. This would reduce the time required to fill out, audit and edit court forms and increase the accuracy of the information provided.

f. *Court Financial System.* The bill would provide \$5,000 PR under the Supreme Court in 1997-98 for financial management software for the Court to maintain its own financial system which could download data to the state accounting system. The Court indicates that a financial management application with query/reporting software would provide a more flexible, user-friendly financial management system, allowing court budget officers and managers better ability to track their finances and progress internally.

g. *Standard Data Definition Identifiers.* The bill would provide \$700 GPR under the Court of Appeals and \$1,200 PR under the Supreme Court in 1997-98 to develop a dictionary of terms describing each data entity collected and maintained by the judicial branch to ensure that court information is uniformly maintained and understood. Court officials indicate that this would improve that quality of information maintained by the Courts, eliminate duplicative data entry and allow for more complete and up-to-date court databases.

3. Funding for the Court of Appeals technology would come from the Court's GPR sum sufficient appropriation. GPR funding for the Supreme Court initiatives would come from the Court's sum sufficient appropriation (\$16,000) and the Director of State Courts' general operations appropriation (\$2,000).

4. The program revenue provided under the bill for the Supreme Court would come from the Court's central services charge-back appropriation. This appropriation is used to charge entities under the Supreme Court (CCAP, Board of Bar Examiners, Board of Attorneys Professional Responsibilities, Law Library and Municipal Judge Education) which are funded from program revenue, for administrative services provided by the Director of State Courts Office.

5. However, Court officials indicate that they could not use the charge-back appropriation to fully fund the Supreme Court technologies. They indicate that their cost estimates for certain technologies that involve a per user or per workstation software cost (internet access and software for electronic documents and forms) were based on the cost of providing those technologies to the GPR-funded positions only. The Court did not request expenditure authority to provide these technologies to the program-revenue funded positions, because it was anticipated that program revenue costs would be funded through the central services appropriation, as currently occurs for similar services.

6. An additional \$7,400 GPR in 1997-98 and \$12,800 GPR in 1998-99 would be needed to implement these technologies for the GPR-funded employees of the Supreme Court, as intended under the bill. This would allow the Supreme Court to have similar information technologies capabilities as the Circuit Courts and, as provided under the bill, the Court of Appeals.

7. The costs of the remaining Supreme Court information technologies provided under the bill (asset inventory, financial management and standard data definitions) are based on system costs, rather than per user costs. These are technologies that would be implemented centrally for services to the entire state court system. Therefore, it would be appropriate to charge the program revenue appropriations for a portion of the costs of these systems. Funding of \$2,500 PR and \$3,700 GPR in 1997-98 and \$11,200 PR and \$16,800 GPR in 1998-99 for these initiatives would more accurately represent the appropriate distribution to PR- and GPR-funded users of these systems.

8. Court officials argue that the implementation of security technologies is important in protecting the rights of the citizens of Wisconsin. In addition, all of the initiatives under the bill are expected to increase efficiency of the Supreme Court and Court of Appeals and improve service to the public and, therefore, should be provided.

9. The Courts have identified their top information technology priorities as being the security and internet access initiatives. If the Committee provided \$40,000 GPR in 1997-98 (\$22,000 under the Court of Appeals and \$18,000 under the Supreme Court), and \$23,200 GPR in 1998-99 (\$10,400 under the Court of Appeals and \$12,800 under the Supreme Court) the Courts' two top priorities could be accomplished.

10. Another alternative would be to use a portion of the \$2 increase in the justice information fee, provided under the bill, to fund Supreme Court and Court of Appeals information technology. The fee is currently \$5, and deposited to the Bureau of Justice Information Systems, under DOA, for automation of justice-related agencies. Under the bill, the \$2 increase would be expected to generate \$825,000 in 1997-98 and \$1,100,000 in 1998-99 and would be deposited to the Circuit Court Automation Project (CCAP) for equipment replacement. The 1997-99 projected revenue is \$175,000 higher than appropriated under the bill. This funding could be used to fund technology for the Court of Appeals and Supreme Court.

11. Under this alternative, appropriations would have to be created under the Court of Appeals and Supreme Court to receive specified program revenue amounts from the CCAP appropriation. Funding of \$29,100 in 1997-98 and \$29,600 in 1998-99 could be provided under the Supreme Court to fully fund the technology initiatives under the bill. A portion of the funding (\$2,500 in 1997-98 and \$11,200 in 1998-99) would continue to come from charges to non-GPR funded programs for the system-wide technology. In addition, funding of \$28,000 in 1997-98 and \$10,400 in 1998-99 could be provided under the Court of Appeals for information

technology. GPR funding could be reduced by a total of \$46,000 in 1997-98 and \$10,400 in 1998-99.

12. Alternatively, the Committee could choose to fund only the Courts' two highest information technology priorities with program revenue funding from the justice information fee.

ALTERNATIVES TO BILL

1. Approve the Governors's recommendation to provide \$18,000 GPR and \$13,600 PR in 1997-98 and \$40,800 PR in 1998-99 for information technology for the Supreme Court and \$28,000 GPR in 1997-98 and \$10,400 GPR in 1998-99 for information technology for the Court of Appeals.

2. Modify the Governor's recommendation, regarding the Supreme Court, by providing additional GPR of \$11,100 in 1997-98 and \$29,600 in 1998-99 and reducing program revenue funding by \$11,100 in 1997-98 and \$29,600 in 1998-99 to accurately distribute the costs of the technology. Under this alternative, program revenue funding of \$2,500 PR in 1997-98 and \$11,200 PR in 1998-99 would remain for the system-wide initiatives.

<u>Alternative 2</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$40,700	- \$40,700	\$0

3. Provide GPR funding for the two highest information technology priorities identified by the Courts, including: (a) approving the Governor's recommendation to provide \$40,000 GPR in 1997-98 for implementation of security access practices for the Courts' information technology systems (\$22,000 under the Court of Appeals and \$18,000 under the Supreme Court); and (b) providing \$23,200 GPR in 1998-99 to provide internet access to Court employees (\$10,400 under the Court of Appeals and \$12,800 under the Supreme Court).

<u>Alternative 3</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$6,800	- \$54,400	- \$47,600

4. Eliminate GPR funding of \$46,000 in 1997-98 and \$10,400 in 1998-99. Instead, provide program revenue funding for Supreme Court and Court of Appeals information technology from justice information fee revenues. Under this alternative, an appropriation would be created under the Court of Appeals with funding of \$28,000 PR in 1997-98 and \$10,400 PR in 1998-99. The Supreme Court charge-back program revenue appropriation would be reduced by \$11,100 PR in 1997-98 and \$29,600 PR in 1998-99. In addition, a program revenue

appropriation would be created under the Supreme Court with funding of \$29,100 in 1997-98 and \$29,600 in 1998-99. Funds totalling \$2,500 PR in 1997-98 and \$11,200 PR in 1998-99 would still be charged to non-GPR court functions.

<u>Alternative 4</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	- \$56,400	\$56,400	\$0

5. Eliminate GPR funding of \$46,000 in 1997-98 and \$10,400 in 1998-99. Instead, provide PR funding from justice information fee revenues for the two highest information technology priorities identified by the Courts. Total funding of \$40,000 in 1997-98 would be provided (\$22,000 under the Court of Appeals and \$18,000 under the Supreme Court), and \$23,200 in 1998-99 (\$10,400 under the Court of Appeals and \$12,800 under the Supreme Court). Create program revenue appropriations under the Supreme Court and Court of Appeals for receipt of justice information fee revenues.

<u>Alternative 5</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	- \$56,400	\$8,800	- \$47,600

Prepared by: Carri Jakel

paper 781
MO# Alt #4

2 BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
GEORGE	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
WINEKE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	N	A
COWLES	<u>Y</u>	N	A
PANZER	<u>Y</u>	N	A
1 JENSEN	<u>Y</u>	N	A
OURADA	<u>Y</u>	N	A
HARSDORF	<u>Y</u>	N	A
ALBERS	<u>Y</u>	N	A
GARD	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	N	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	N	A

AYE 15 NO 1 ABS 0

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Law Library Book Inflation (Supreme Court)

[LFB Summary: Page 566, #5]

CURRENT LAW

The Wisconsin State Law Library (WSLL) has base level funding of \$376,700 GPR for permanent property. Of that, \$368,700 is budgeted to purchase legal publications consisting of: (a) continuing publications, such as state and federal case law, state and federal statutory law, administrative and agency regulations and decisions, encyclopedias and form books; and (b) new titles, such as law and law-related texts.

GOVERNOR

Provide \$10,000 PR in 1997-98 and \$18,400 PR in 1998-99 for inflationary increases in the prices of law library legal materials. Funding would come from the library's program revenue appropriation which receives fees from photocopies, books, generation of documents, computer services and other services provided by the law library.

DISCUSSION POINTS

1. In the past, funding for legal materials has been provided from general purpose revenues. Under the bill, additional funding for inflationary increases in legal materials would come from WSLL's program revenue appropriation, which is funded from charges for photocopies, on-line computer services and other library services to customers. The program

revenue appropriation currently funds a full-time library assistant, a half-time cataloger, leasing and maintenance costs for the copier, postage and a portion of the library's on-line services.

2. WSL's program revenues are expected to total \$81,000 annually for the biennium, which is less than adjusted 1997-99 annual base appropriations of \$84,600 under the bill (excluding the legal materials funding appropriated under the bill). In addition, maintenance costs for WSL's computer system must come from the program revenue appropriation in 1997-99. The last biennial budget provided funding from the information technology fund to upgrade the state law library computer system and establish a statewide law library network. The bill would delete the funding under the standard budget adjustment which eliminates noncontinuing funding. However, \$9,100 annually is needed for ongoing maintenance. Therefore, with the legal materials increase, the law library's program revenue appropriation under the bill would end the biennium with a deficit of \$32,500.

3. Under current law, the law library is limited in the amounts that it can charge for library services to the actual cost of providing those services. While DOA officials indicate that it was their intent to eliminate this restriction, the provision was not included under the bill. The Committee could eliminate this restriction to allow the law library to charge more than the actual costs and therefore, generate more revenue. Assuming constant demand, service charges would have to increase, on average, by approximately 20% in order to generate sufficient revenues to cover the funding provided under the bill. Court officials indicate that even if the statutory limit was removed, consumers likely would not be willing to pay increased prices of such a magnitude and demand for services would drop.

4. In addition, allowing the law library to charge the public more than the cost of services to generate funds for general library operations raises a question regarding access to public services and records.

5. The legal materials funding included under the budget is based on DOA recommended inflationary increases of 2.7% in 1997-98 and 2.2% in 1998-99. As noted above, even with a statutory change, it is unlikely that program revenues would be available for legal material expenses. Therefore, to maintain the funding levels under the bill, GPR funding of \$28,400 would be needed.

6. In its 1997-99 budget request, the Supreme Court requested \$50,200 GPR in 1997-98 and \$57,100 GPR in 1998-99 to offset inflationary increases in prices for legal materials. According to law library officials, based on past years' inflationary increases, \$130,000 annually would be needed to bring legal materials funding to where it was in 1990-91. However, due to budget constraints, the Court requested a reduced amount.

7. Funding for law library publications has not been increased since 1994-95 despite the increased cost in legal materials. According to the Price Index for Legal Publications, 1996 (American Association of Law Libraries), the cost of continuing legal publications increased an

average of 13.9% over the last six years. In addition, Court officials indicate that the cost of new titles has increased approximately 5.8%. However, the library's book budget has increased 2.7% over the same period.

8. As a result, a majority of the law library's budget is spent on updating continuing publications. The law library has almost 4,000 titles which are updated on a regular basis. If continuing publications are not updated, their value and use for legal purposes are greatly reduced.

9. Further, according to Court officials, it is standard operating practice for law libraries to spend 10% of their book budgets on new titles. This is needed to keep up to date in new legal subject areas, new legislation and new regulations. The WSLI has traditionally only been able to dedicate 3% of its book budget on new titles. Over the last biennium this has fallen to less than 2%.

10. Despite the difference in the law library's budget and inflationary levels, the law library has been able to continue purchasing ongoing publications and new titles by taking measures to reduce its costs, including eliminating additional copies of materials, reducing the purchases of new materials, canceling paper copies of materials available via computer and carefully evaluating every legal material purchase. In addition, since 1992-93, the law library has funded a portion of its annual book expenses with funding from the next fiscal year, and this amount has been increasing. In 1992-93, \$20,000 was spent on purchases for 1991-92 publications. In 1996-97, \$71,000 was spent on 1995-96 publications. Court officials estimate that they will carry \$88,000 in expenditures for 1996-97 publications into 1997-98, which represents 24% of the base funding for legal publications.

11. If funding for legal publications is adjusted for the actual cost of materials in 1996-97, expenditures would total \$385,700 (or \$17,000 over base). Under the bill, additional funding of \$27,400 GPR in 1997-98 and \$36,100 GPR in 1998-99 would be needed to adjust base funding and provide the DOA-recommended inflationary levels of 2.7% in 1997-98 and \$2.2% in 1998-99.

12. However, Court officials argue that inflationary increases for legal materials are higher than those recommended by DOA. In addition, this would not account for the fact that no inflationary increases were provided in the 1995-97 budget, and that the library has been forced to delay updating a number of continuing publications and reduce purchases of new titles. Chief Justice Abrahamson, in her testimony to the Committee, indicated that their request of \$50,200 GPR in 1997-98 and \$57,100 GPR in 1998-99 should be approved.

ALTERNATIVES TO BILL

1. Approve the Governor's recommendation to provide \$10,000 PR in 1997-98 and \$18,400 PR in 1998-99 for inflationary increase in law library legal materials. It should be noted that it is not expected that program revenues would be available to fully fund these expenditures under the bill's provisions.

2. Modify the Governor's recommendation by eliminating the program revenue funding and instead providing \$10,000 GPR in 1997-98 and \$18,400 GPR in 1998-99 for DOA's recommended inflationary increases in the prices of law library materials.

<u>Alternative 2</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$28,400	- \$28,400	\$0

3. Modify the Governor's recommendation by eliminating the program revenue funding and instead providing \$27,400 GPR in 1997-98 and \$36,100 GPR in 1998-99 to fund actual base expenditure and inflationary increases in law library materials.

<u>Alternative 3</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$63,500	- \$28,400	\$35,100

4. Modify the Governor's recommendation by eliminating the program revenue funding and instead providing \$50,200 GPR in 1997-98 and \$57,100 GPR in 1998-99 for inflationary increases in law library materials as requested by the Courts.

<u>Alternative 4</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$107,300	- \$28,400	\$78,900

5. Delete the program revenue funding. No additional funding would be available for law library legal materials purchases.

<u>Alternative 5</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	- \$28,400

6. In addition to any of the above alternatives, eliminate the current statutory requirement that limits the amounts that the law library can charge for services to the actual cost of those services.

Prepared by: Carri Jakel

paper 782

MO#

Ait. 3

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	(N)	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	Y	(N)	A
COGGS	Y	(N)	A

AYE 13 NO 3 ABS 0

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Fees for the Sale of Court Documents (Supreme Court)

[LFB Summary: Page 566, #7]

CURRENT LAW

The Director of State Courts is limited to the amount that it can charge for court forms, computer generated special reports, photocopies and pamphlets to the actual costs associated with the compilation and distribution of the documents, unless a fee is otherwise specifically established or authorized by law. These provisions limiting charges for public records and printed materials also apply to the legislative and executive branches.

GOVERNOR

The bill would delete the statutory limits on the amounts that the Director of State Courts can charge for court documents and other materials.

DISCUSSION POINTS

1. A technical correction would be needed in order to accomplish the intent of the bill. Language would need to be added which would provide that notwithstanding the limits which apply to state agencies, the Director of State Courts would not be subject to those limits.

2. According to Court officials, this provision was requested in response to recommendations by a Supreme Court Data Access Workgroup to create a uniform fee schedule for Court documents under Supreme Court Rule.

3. The proposed uniform fee schedule would provide that fees would be a combination of the cost of the medium (paper, microfiche, audiotape, videotape diskette or compact disk), personnel time, mail or delivery and any special programming.

4. Court officials indicate that the current statutory limits are vague and it is not clear, especially for electronic documents, what charges are allowed. In addition, they indicate that the current limits do not allow the Court to capture personnel costs involved in compiling special reports. Therefore, the proposed court rule would specify uniform fees for electronic documents and would address personnel costs.

5. However, given that the public records statutes apply to all government organizations, including those under the executive, legislative and judicial branches, there is no clear rationale for creating an exception for Supreme Court documents. It would seem more appropriate for problems with the public record statutes to be addressed in relation to all government agencies.

6. Under current law, the Division of Technology Management in the Department of Administration has the responsibility to prescribe a forms management program for all state agencies, including the Legislature and the Courts. It may be appropriate, therefore, for the Division to review these issues and submit a report to the Governor and Legislature with recommendations concerning allowable charges for state documents, including electronic documents, along with any proposed statutory changes.

7. There is also a question as to whether charges for public records produced or maintained by the Director of State Courts should be subject to legislative review, as is the current process with all other public records, or whether the Director of State Courts, as a separate branch of government under the Supreme Court, should not be subject to the same process.

8. Court officials indicate that the proposed Court rule is expected to continue to generate only sufficient revenue to cover costs; therefore, no fiscal effect would be associated with the provision.

ALTERNATIVES TO BILL

1. Approve the Governor's proposal to eliminate the statutory maximums on the amount the Director of State Courts can charge for court documents with a technical correction to provide that, notwithstanding the limitations on charges by state agencies, the Director of State Courts fees would not be subject to those limits.

2. Delete the provision.

3. In addition to either of the above alternatives, direct the Department of Administration to submit a report to the Governor and Legislature by January 1, 1998, with recommendations concerning allowable charges for all state agency documents, including electronic documents, along with any proposed statutory changes.

Prepared by: Carri Jakel

paper 783
MO# Alt 2

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 16 NO 0 ABS

paper 783
MO# Alt 3

2 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	Y	(N)	A
JAUCH	Y	(N)	A
WINEKE	Y	(N)	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	Y	(N)	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	Y	(N)	A
ALBERS	Y	(N)	A
GARD	(Y)	N	A
KAUFERT	Y	(N)	A
LINTON	Y	(N)	A
COGGS	(Y)	N	A

AYE 8 NO 8 ABS

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Personnel Specialist (Supreme Court)

CURRENT LAW

The Director of State Courts Office, under the Supreme Court, is responsible for administration of the Wisconsin Court System, including providing personnel services for state court employees. The Office employs 2.0 personnel staff which service 748.75 FTE (including employees of the Appeals, Circuit and Supreme Courts).

GOVERNOR

No provision.

DISCUSSION POINTS

1. The Department of Employment Relations (DER) is responsible for the employer functions of the executive branch of government. The Department establishes and maintains employment relations policies and practices throughout state service, including rules regarding position classifications, absences, pay schedules, workers compensation, affirmative action and equal opportunity, employee development and training, performance evaluations, grievance procedures, recruitment, promotions, transfers and appointments.

2. The Courts, as a separate branch of government, are not subject to the policies established by DER. Instead, Supreme Court rules direct the Director of State Courts to develop a personnel manual establishing vacation and sick leave, overtime and compensatory time, fringe benefits, promotion and position designation, merit or other performance awards, recruitment and

hiring procedures, employee evaluations, salary determination and pay ranges, grievance procedures and leave policies for judges. In addition, these rules must ensure that court positions, which are substantially equivalent to positions in the classified service, are treated comparably to employees in the civil service.

3. The Director of State Courts office has 2.0 FTE, including 1.0 personnel officer, 0.5 personnel specialist and 0.5 personnel assistant, which are responsible for implementation of the personnel policies and assisting with policy development.

4. In its budget 1997-99 budget submission, the Supreme Court requested \$35,700 GPR in 1997-98 and \$40,400 GPR in 1998-99 for 1.0 personnel specialist to perform personnel duties which the Court does not have staff to attend to including developing an affirmative action program, addressing Americans with Disabilities Act requirements, developing an employee assistance program, providing a comprehensive training program for new managers and supervisors and assisting in personnel policy interpretation, application, performance planning and evaluation.

5. Chief Justice Abrahamson, in her testimony to the Committee, indicated that executive branch agencies, which receive personnel policy development and assistance services from DER, have more personnel staff than the Courts, which are responsible for both personnel policy development and implementation. She indicated that the Courts would require three additional positions to match other executive branch agencies.

6. Agencies of similar size tend to have more personnel staff than the Courts. For example, the Department of Justice has 4.0 personnel staff for 538.9 FTE (a ratio of 1 to 135), the State Public Defender has 3.5 personnel staff for 533.6 FTE (a ratio of 1 to 152) and the Department of Veterans Affairs has 5.0 personnel staff for 799.3 FTE (a ratio of 1 to 160). The ratio of personnel to FTE for the Court System is 1 to 374 FTE. An additional personnel specialist would allow the Courts to have one personnel staff per 250 FTE.

7. It should be noted that comparisons among different agencies and the Courts are difficult, because different positions have different responsibilities which may not be comparable among the agencies and the Courts.

8. Given that the Courts are responsible for providing services to program-revenue funded positions, one option to reduce the GPR cost of the position would be to fund one-half of the position with program revenue from charges to the non-GPR entities, including the Circuit Court Automation Project, the Board of Attorneys Professional Responsibility, the Board of Bar Examiners, the Medical Mediation Panel and the State Law Library services program. Under this alternative, the cost to the bill would be \$17,800 GPR and \$17,900 PR in 1997-98 and \$20,200 GPR and \$20,200 PR in 1998-99.

9. Alternatively, the Committee could provide an additional one-half position and increase the Courts' personnel staff by 25%. Given that two current staff are GPR-funded and provide services to PR-funded court operations, the additional one-half position could be funded from charges to PR court functions.

ALTERNATIVES TO BILL

1. Provide \$35,700 GPR in 1997-98 and \$40,400 GPR in 1998-99 and 1.0 personnel specialist position annually to provide additional personnel services to the State Court System.

<u>Alternative 1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$76,100
1998-99 POSITIONS (Change to Bill)	1.00

2. Provide \$17,800 GPR and \$17,900 PR in 1997-98 and \$20,200 GPR and \$20,200 PR in 1998-99 and 0.5 GPR position and 0.5 PR position annually for 1.0 personnel specialist to provide additional personnel services to the State Court System.

<u>Alternative 2</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$38,000	\$38,100	\$76,100
1998-99 POSITIONS (Change to Bill)	0.50	0.50	1.00

3. Provide \$17,900 PR in 1997-98 and \$20,200 PR in 1998-99 for a one-half time personnel specialist to provide personnel services to non-GPR court functions.

<u>Alternative 3</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	\$38,100
1998-99 POSITIONS (Change to Bill)	0.50

4. Take no action.

Prepared by: Carri Jakel

Supreme Court (Paper #784)

Paper 784
MO# Alt. 2

2 BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
1 JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 7 NO 7 ABS

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

District Court Administrative Staff -- Milwaukee County (Supreme Court)

CURRENT LAW

The 69 circuit courts in the state are divided into 10 administrative districts, each supervised by the chief judge. The chief judge appoints a district court administrator (DCA) responsible for managing the nonjudicial business of the district, at the direction of the chief judge. Each DCA has one support position. In addition, Milwaukee County (District 1) has an assistant district court administrator. The 21 district court administrative staff are state employees under the Director of State Courts Office.

GOVERNOR

No provision.

DISCUSSION POINTS

1. Milwaukee County comprises District 1, with 46 (20%) of the 233 circuit court branches statewide. This compares to an average of 21 court branches for each of the other nine districts in the state. In addition, District 1 handles disproportionately more criminal and total cases than the other judicial districts (30% of misdemeanors, 28% of felonies and 24% of total cases in 1995).

2. The Courts requested \$130,400 GPR and 3.0 positions in 1997-98 and \$307,000 GPR and 6.0 positions in 1998-99 for additional staff for District 1 administration. The request was to address a portion of the recommendations resulting from a 1994 study of the Milwaukee

County justice system conducted by the Policy Studies, Inc. (PSI). PSI is a private consulting group made up of national court management experts. The study was funded through a State Justice Institute grant.

3. The requested positions include one court analyst, four division managers and one administrative support position. The court analyst would provide staff assistance to the chief judge and be responsible for planning, management and budget analysis. The division managers would be assigned to the misdemeanor, civil, juvenile and family divisions and would be responsible for overseeing case management, daily court operations and implementation of judicial policies for specific divisions. Division managers would report to the District Court Administrator. The remaining two court divisions, the felony and probate divisions, currently have coordinators who are county employees. (The Register in Probate is responsible for managing the probate division.)

4. Court officials indicate that the requested positions would address several critical issues noted by PSI including the following: (1) enhancing the court's management structure; (2) increasing performance accountability; (3) improving caseload management; (4) improving coordination with other justice system agencies (District Attorneys, Public Defenders and law enforcement); and (5) improving public understanding and support for the Milwaukee County justice system.

5. Chief Justice Abrahamson, in her address to the Committee, reiterated the need for the six positions, but indicated a willingness to phase in the positions over the next two biennia. Her proposal included \$38,900 GPR and 1.0 court analyst in 1997-98 and \$152,400 GPR and 3.0 positions (the court analyst and two division managers) in 1998-99.

6. The PSI study notes a number of problems with the Milwaukee County justice system, and includes numerous recommendations for improvements. The positions included in the Courts' request are recommended in the study. However, there is a question as to whether these positions should be the responsibility of the state or the county.

7. It could be argued that administrative responsibility for the circuit court divisions is the responsibility of the county. The county clerk of courts office is responsible for administrative and clerical support for the court system. The two existing division coordinators in Milwaukee County are also county employees. In addition, it should be noted that at one time there was a county coordinator for the juvenile division; however, when the employee in that position left the Milwaukee County courts, the position was never filled. Court officials indicate that the County has no intention of filling the position, and therefore, included a manager for the juvenile division in their request.

8. The PSI study notes that the Chief Judge and District Court Administrative staff are extremely limited in resources, given the responsibilities of those offices. However, the study further states that additional resources for the Milwaukee County court system is not necessarily

the sole, or perhaps even the best, response. Instead, changes need to be made in the way Milwaukee County court system operates.

9. Court officials indicate there have been serious efforts to implement the study's recommendations with existing resources. As part of that effort, judges have received training on caseload management, weekly court administration meetings are led by the chief judge and some management responsibility has been delegated to the separate court divisions.

10. The Courts indicate that the court analyst position would assist the Chief Judge and the DCA in management of the 46 judges, 20 court commissioners, 81 court reporters and over 250 clerk of courts staff, and in addressing Milwaukee County court system-wide policy and budget concerns. In addition, the position would be responsible for helping implement many of the recommendations of the PSI study, and identifying changes that need to be made to the system. Therefore, if the Committee wants to direct more state resources to Milwaukee County courts, the court analyst position would be the most beneficial in addressing the problems and recommendations of the PSI study. In addition, the court analyst position would be consistent with the current state policy of providing centralized circuit court management under the Chief Judge and DCA's office.

11. The Courts argue that District 1 is the only one-county judicial district in the state. The other districts are made up of three to 13 counties. Therefore, the other districts can draw on the personnel and funding support from the multiple counties that form the district, and can receive management assistance from court management staff located in the various counties.

12. In addition, the Courts argue that the DCA division managers' responsibilities would be separate from the clerk of courts, in that the managers would be responsible for supervision of judges, court commissioners, caseloads and calendars. The clerk's staff deal more with court papers, case files, keeping court records and preparing files for appellate review.

13. Court officials also indicate that with the delegation of certain responsibilities to the divisions, judges have been forced to take on more management responsibilities. Therefore, if the division managers were provided, judicial resources could be used more appropriately.

14. Since such administrative costs are currently predominantly county costs, the Committee could consider requiring Milwaukee County to provide a 50% match for any additional state funding or position authority.

ALTERNATIVES TO BILL

1. Provide \$130,400 GPR and 3.0 GPR positions in 1997-98 and \$307,000 GPR and 6.0 GPR positions in 1998-99 to fully fund the Court request for additional court management

staff for Milwaukee County. The positions include 1.0 court analyst, 4.0 division managers and 1.0 administrative support position.

<u>Alternative 1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$437,400
1998-99 POSITIONS (Change to Bill)	6.00

1a. Provide one-half of the funding and position authority under Alternative 1, and require Milwaukee County to match the state funding and position authority in order to receive the additional state resources.

<u>Alternative 1a</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$218,700
1998-99 POSITIONS (Change to Bill)	3.00

2. Provide \$38,900 GPR and 1.0 GPR court analyst position in 1997-98 and \$152,400 and 3.0 positions (the court analyst and two division managers) in 1998-99 to phase in the Milwaukee County administrative staff over the next two biennia.

<u>Alternative 2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$191,300
1998-99 POSITIONS (Change to Bill)	3.00

2a. Provide one-half of the funding and position authority under Alternative 2, and require Milwaukee County to match the state funding and position authority in order to receive the additional state resources.

<u>Alternative 2a</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$95,700
1998-99 POSITIONS (Change to Bill)	1.50

3. Provide \$38,900 GPR in 1997-98 and \$45,900 GPR in 1998-99 and 1.0 position annually for a court analyst position for Milwaukee County.

<u>Alternative 3</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$84,800
1998-99 POSITIONS (Change to Bill)	1.00

3a. Provide one-half of the funding and position authority under Alternative 3, and require Milwaukee County to match the state funding and position authority in order to receive the additional state resources.

<u>Alternative 3a</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$42,400
1998-99 POSITIONS (Change to Bill)	0.50

4. Take no action.

Paper 785
MO# A11, 3

Prepared by: Carri Jakel

2 BURKE	<input checked="" type="radio"/>	N	A
DECKER	Y	<input checked="" type="radio"/>	A
GEORGE	Y	<input checked="" type="radio"/>	A
JAUCH	Y	<input checked="" type="radio"/>	A
WINEKE	Y	<input checked="" type="radio"/>	A
SHIBILSKI	Y	<input checked="" type="radio"/>	A
COWLES	Y	<input checked="" type="radio"/>	A
PANZER	Y	<input checked="" type="radio"/>	A
/ JENSEN	<input checked="" type="radio"/>	N	A
OURADA	Y	<input checked="" type="radio"/>	A
HARSDORF	Y	<input checked="" type="radio"/>	A
ALBERS	Y	<input checked="" type="radio"/>	A
GARD	Y	<input checked="" type="radio"/>	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	Y	<input checked="" type="radio"/>	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 4 NO 12 ABS 0

SUPREME COURT

Administrative Staff for Chief Justice

Motion:

Move to provide \$19,200 GPR and 1.0 GPR position annually to convert the special assistant to the Chief Justice from LTE to permanent status.

Note:

The position's duties, as prescribed by the Chief Justice, include: (a) staffing special committees, commissions, task forces and programs; (b) coordinating special events such as conferences and symposia; (c) representing the Chief Justice at meetings and other public events; and (d) drafting and editing speeches and other correspondence. The funding would cover additional fringe benefit and supplies and services expenses associated with the permanent position.

[Change to Bill: \$38,400 GPR and 1.0 GPR position]

MO# 402

2	BURKE	<input checked="" type="radio"/>	N	A
	DECKER	<input checked="" type="radio"/>	N	A
	GEORGE	<input checked="" type="radio"/>	N	<input checked="" type="radio"/>
	JAUCH	<input checked="" type="radio"/>	N	A
1	WINEKE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	COWLES	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	PANZER	<input checked="" type="radio"/>	N	A
	JENSEN	<input checked="" type="radio"/>	N	A
	OURADA	<input checked="" type="radio"/>	N	A
	HARSDORF	<input checked="" type="radio"/>	N	A
	ALBERS	<input checked="" type="radio"/>	N	A
	GARD	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	KAUFERT	<input checked="" type="radio"/>	N	A
	LINTON	<input checked="" type="radio"/>	N	A
	COGGS	<input checked="" type="radio"/>	N	A

Motion #402

AYE 13 NO 2 ABS 1

SUPREME COURT

LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1	Standard Budget Adjustments
2	Unspecified Budget Reduction
6	Eliminate Data Processing Appropriation

LFB Summary Item for Introduction as Separate Legislation

<u>Item #</u>	<u>Title</u>
8	Denial of Law Licenses for Failure to Pay Child Support and Tax Delinquency